

State of Utah

Comprehensive Annual Financial Report

2008



For the Fiscal Year Ended **June 30, 2008**

State Of Utah

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2008

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Gary R. Herbert Lt. Governor
Auston G. Johnson, CPA State Auditor
Edward T. Alter, CPA State Treasurer
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John L. Valentine President of the Senate
Greg J. Curtis Speaker of the House
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John M. Schaff, CIA Auditor General, Office of the Legislative Auditor General
Michael E. Christensen Director, Office of Legislative Research and General Counsel

ACKNOWLEDGMENTS

Report prepared by:

Marcie L. Handy, CPA
Eugene F. Baird
Lynn G. Bodrero, CPA
Julia D'Alesandro, CPA, CIA
Darin C. Janzen
Lynda B. McLane, CPA
Robert Melendez
Deborah S. Memmott
Robert D. Miles
G. Anthony Monsivais
Gary E. Morris, CPA
David H. Pierce, CPA
Cindy M. Robinson

Special appreciation is given to all of the budget and accounting officers throughout the State whose extra time and effort made this report possible.



Department of Administrative Services: Division of Finance Accounting Standards and Financial Reporting Section

State of Utah
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2008

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BASIC FINANCIAL STATEMENTS

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State of Utah**Statement of Net Assets**

June 30, 2008

(Expressed in Thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and Cash Equivalents	\$ 1,609,624	\$ 1,282,899	\$ 2,892,523	\$ 853,962
Investments	950,549	270,222	1,220,771	1,396,296
Taxes Receivable, net	833,731	—	833,731	—
Accounts and Interest Receivable, net	600,660	140,387	741,047	455,828
Amounts Due From:				
Component Units	35,853	17	35,870	—
Primary Government	—	—	—	47
Prepaid Items	1,054	3,839	4,893	27,019
Inventories	18,718	28,610	47,328	54,042
Internal Balances	27,457	(27,457)	—	—
Restricted Investments	955,884	78,130	1,034,014	1,055,067
Deferred Charges	2,461	25,299	27,760	104,817
Notes/Loans/Mortgages/Pledges Receivable, net	13,172	2,968,583	2,981,755	1,414,461
Other Assets	43,660	—	43,660	14,003
Capital Assets:				
Land and Related Non-depreciable Assets	908,448	13,216	921,664	161,622
Infrastructure	7,976,676	—	7,976,676	—
Construction in Progress	1,557,346	1,299	1,558,645	241,839
Buildings, Equipment, and Other Depreciable Assets	2,016,431	70,767	2,087,198	4,351,293
Less Accumulated Depreciation	(831,619)	(24,261)	(855,880)	(1,993,806)
Total Capital Assets	11,627,282	61,021	11,688,303	2,760,948
Total Assets	16,720,105	4,831,550	21,551,655	8,136,490
LIABILITIES				
Accounts Payable and Accrued Liabilities	798,949	43,539	842,488	279,940
Amounts Due to:				
Component Units	47	—	47	—
Primary Government	—	—	—	35,870
Securities Lending	—	—	—	12,557
Unearned Revenue	70,304	13,334	83,638	73,154
Deposits	—	163	163	138,642
Long-term Liabilities (Note 10)				
Due Within One Year	273,735	12,166	285,901	259,251
Due in More Than One Year	1,341,815	2,275,790	3,617,605	2,323,142
Total Liabilities	2,484,850	2,344,992	4,829,842	3,122,556
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	10,447,357	13,837	10,461,194	2,189,930
Restricted for:				
Transportation	407,838	—	407,838	—
Public Education – Expendable	1,059,208	—	1,059,208	—
Public Education – Nonexpendable	1,014,449	—	1,014,449	—
Higher Education – Expendable	—	—	—	871,516
Higher Education – Nonexpendable	—	—	—	530,455
Debt Service	2,769	—	2,769	170,652
Unemployment Compensation and Insurance Programs ..	8,002	888,220	896,222	103,750
Loan Programs	2,670	546,608	549,278	—
Other Purposes – Expendable	123,620	—	123,620	45
Unrestricted	1,169,342	1,037,893	2,207,235	1,147,586
Total Net Assets	\$ 14,235,255	\$ 2,486,558	\$ 16,721,813	\$ 5,013,934

The Notes to the Financial Statements are an integral part of this statement.

State of Utah**Statement of Activities**

For the Fiscal Year Ended June 30, 2008

(Expressed in Thousands)

Activities	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental:				
General Government	\$ 385,331	\$ 257,537	\$ 171,579	\$ —
Human Services and Youth Corrections	679,920	10,840	294,684	—
Corrections, Adult	255,319	5,332	1,467	—
Public Safety	191,910	49,247	67,089	—
Courts	125,587	46,517	618	—
Health and Environmental Quality	1,649,209	65,666	1,190,580	—
Higher Education	912,998	31	1,322	—
Employment and Family Services	423,122	7,413	350,982	—
Natural Resources	159,955	64,407	40,898	—
Community and Culture	132,687	5,278	38,190	—
Business, Labor, and Agriculture	95,563	68,622	9,728	—
Public Education	2,959,311	100,919	319,699	—
Transportation	850,387	251,562	171,448	144,867
Interest and Other Charges on Long-term Debt	58,851	—	—	—
Total Governmental Activities	8,880,150	933,371	2,658,284	144,867
Business-type:				
Student Assistance Programs	164,411	117,246	61,382	—
Unemployment Compensation	148,424	157,624	41,540	—
Water Loan Programs	10,477	12,135	24,859	—
Other Business-type Activities	196,362	270,465	16,072	—
Total Business-type Activities	519,674	557,470	143,853	0
Total Primary Government	\$ 9,399,824	\$ 1,490,841	\$ 2,802,137	\$ 144,867
Component Units:				
Utah Housing Corporation	\$ 94,803	\$ 107,920	\$ —	\$ —
Public Employees Health Program	577,121	591,424	16,214	—
University of Utah	2,310,805	1,716,293	396,157	55,512
Utah State University	464,360	134,226	222,891	28,986
Nonmajor Colleges and Universities	815,854	324,548	164,301	45,275
Nonmajor Component Units	62,582	27,375	2,550	—
Total Component Units	\$ 4,325,525	\$ 2,901,786	\$ 802,113	\$ 129,773
General Revenues:				
Taxes:				
Sales and Use Tax				
Individual Income Tax Imposed for Education				
Corporate Tax Imposed for Education				
Motor and Special Fuel Taxes Imposed for Transportation				
Other Taxes				
Total Taxes				
Investment Income				
State Funding for Colleges and Universities				
State Funding for Other Component Units				
Gain on Sale of Capital Assets				
Miscellaneous				
Permanent Endowments Contributions				
Transfers—Internal Activities				
Total General Revenues and Transfers				
Change in Net Assets				
Net Assets—Beginning				
Adjustments to Beginning Net Assets				
Net Assets—Beginning as Adjusted				
Net Assets—Ending				

The Notes to the Financial Statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ 43,785	\$ —	\$ 43,785	\$ —
(374,396)	—	(374,396)	—
(248,520)	—	(248,520)	—
(75,574)	—	(75,574)	—
(78,452)	—	(78,452)	—
(392,963)	—	(392,963)	—
(911,645)	—	(911,645)	—
(64,727)	—	(64,727)	—
(54,650)	—	(54,650)	—
(89,219)	—	(89,219)	—
(17,213)	—	(17,213)	—
(2,538,693)	—	(2,538,693)	—
(282,510)	—	(282,510)	—
(58,851)	—	(58,851)	—
(5,143,628)	0	(5,143,628)	0
—	14,217	14,217	—
—	50,740	50,740	—
—	26,517	26,517	—
—	90,175	90,175	—
0	181,649	181,649	0
(5,143,628)	181,649	(4,961,979)	0
—	—	—	13,117
—	—	—	30,517
—	—	—	(142,843)
—	—	—	(78,257)
—	—	—	(281,730)
—	—	—	(32,657)
0	0	0	(491,853)
2,006,926	23,462	2,030,388	—
2,435,059	—	2,435,059	—
409,794	—	409,794	—
350,426	—	350,426	—
333,545	—	333,545	—
5,535,750	23,462	5,559,212	0
63,947	—	63,947	1,459
—	—	—	810,892
—	—	—	34,735
26,980	—	26,980	—
41,659	—	41,659	—
—	—	—	32,997
37,733	(37,733)	—	—
5,706,069	(14,271)	5,691,798	880,083
562,441	167,378	729,819	388,230
13,672,814	2,319,180	15,991,994	4,644,378
—	—	—	(18,674)
13,672,814	2,319,180	15,991,994	4,625,704
\$14,235,255	\$ 2,486,558	\$ 16,721,813	\$ 5,013,934

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Governmental Fund Financial Statements

General Fund

This fund is the principal operating fund of the State. It accounts for all financial resources of the general government except those required to be accounted for in another fund.

Education Fund

This fund accounts for all revenues from taxes on income that support public and higher education in the State.

Uniform School Fund

This fund is maintained to account for specific revenues and expenditures that support public elementary and secondary schools and the State Office of Education.

Transportation Fund

This fund is maintained to account for revenues and expenditures associated with highway construction and maintenance. Principal funding is provided from dedicated highway user taxes, fees, and federal funds.

Transportation Investment Fund

This fund was created by the Legislature to account for revenues and expenditures associated with the maintenance and reconstruction of state and federal highways and designates Centennial Highway projects to be accounted for within this fund. Funding is provided from federal funds, highway general obligation bonds, registration fees, sales and use taxes, and appropriations.

Trust Lands

This permanent fund accounts for land grants and the sale of lands received from the federal *Enabling Act*. The principal in the fund is perpetual with the earnings used primarily to support public education.

Nonmajor Funds

Nonmajor governmental funds are presented by fund type beginning on page 128.

State of Utah**Balance Sheet
Governmental Funds**

June 30, 2008

(Expressed in Thousands)

	Special Revenue			
	General	Education	Uniform School	Transportation
ASSETS				
Cash and Cash Equivalents	\$ 333,679	\$ —	\$ 350,285	\$ 426,379
Investments	319,914	185,762	28,636	202,215
Receivables:				
Accounts, net	449,900	2,095	29,857	80,241
Accrued Interest	31	—	—	—
Accrued Taxes, net	232,473	534,428	—	48,249
Notes/Mortgages, net	1,509	—	8,216	353
Due From Other Funds	36,174	—	670	5,063
Due From Component Units	319	—	4	—
Inventories	—	—	—	11,899
Interfund Loans Receivable	38,884	—	121	—
Other Assets	—	—	—	—
Total Assets	<u>\$ 1,412,883</u>	<u>\$ 722,285</u>	<u>\$ 417,789</u>	<u>\$ 774,399</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 414,458	\$ 27,760	\$ 39,243	\$ 222,031
Due To Other Funds	35,496	—	547	6,921
Due To Component Units	12	—	7	—
Deferred Revenue	98,049	280,527	5,196	34,821
Total Liabilities	<u>548,015</u>	<u>308,287</u>	<u>44,993</u>	<u>263,773</u>
Fund Balances:				
Reserved for:				
Nonlapsing Appropriations and Encumbrances	202,695	—	142,766	26,459
Specific Purposes by Statute	245,868	—	46,691	189,910
Interfund Loans Receivable	22,237	—	121	—
Debt Service	—	—	—	—
Unreserved Designated	394,068	413,998	183,218	44,602
Unreserved Designated, reported in nonmajor:				
Capital Projects Funds	—	—	—	—
Debt Service Funds	—	—	—	—
Unreserved Undesignated	—	—	—	249,655
Unreserved Undesignated, reported in nonmajor:				
Special Revenue Funds	—	—	—	—
Capital Projects Funds	—	—	—	—
Total Fund Balances	<u>864,868</u>	<u>413,998</u>	<u>372,796</u>	<u>510,626</u>
Total Liabilities and Fund Balances	<u>\$ 1,412,883</u>	<u>\$ 722,285</u>	<u>\$ 417,789</u>	<u>\$ 774,399</u>

The Notes to the Financial Statements are an integral part of this statement.

Special Revenue	Permanent		
Transportation Investment	Trust Lands	Nonmajor Governmental Funds	Total Governmental Funds
\$ 116,837	\$ 1,917	\$ 313,743	\$ 1,542,840
68,625	955,884	145,397	1,906,433
409	18,755	8,996	590,253
—	2,342	49	2,422
18,581	—	—	833,731
—	2,400	—	12,478
—	16,214	8,131	66,252
—	—	35,479	35,802
—	—	—	11,899
—	—	—	39,005
—	43,660	—	43,660
<u>\$ 204,452</u>	<u>\$ 1,041,172</u>	<u>\$ 511,795</u>	<u>\$ 5,084,775</u>
\$ —	\$ —	\$ 65,126	\$ 768,618
3,279	172	24,776	71,191
—	18	—	37
1,301	26,533	13,302	459,729
<u>4,580</u>	<u>26,723</u>	<u>103,204</u>	<u>1,299,575</u>
—	—	181,434	553,354
182,856	1,014,449	77,014	1,756,788
—	—	—	22,358
—	—	5,769	5,769
17,016	—	—	1,052,902
—	—	60,735	60,735
—	—	20,801	20,801
—	—	—	249,655
—	—	66,546	66,546
—	—	(3,708)	(3,708)
<u>199,872</u>	<u>1,014,449</u>	<u>408,591</u>	<u>3,785,200</u>
<u>\$ 204,452</u>	<u>\$ 1,041,172</u>	<u>\$ 511,795</u>	<u>\$ 5,084,775</u>

Reconciliation of the Balance Sheet — Governmental Funds To the Statement of Net Assets

June 30, 2008

(Expressed in Thousands)

Total Fund Balances for Governmental Funds \$ 3,785,200

Total net assets reported for governmental activities in the Statement of Net Assets
is different because:

Capital assets used in governmental activities are not financial resources and
therefore are not reported in the funds: (See Note 8)

Land and Related Non-depreciable Assets	\$ 908,431	
Infrastructure, Non-depreciable	7,976,676	
Construction-In-Progress	1,557,159	
Buildings, Equipment, and Other Depreciable Assets	1,817,962	
Accumulated depreciation	<u>(707,823)</u>	11,552,405

Some of the State's earned revenues will be collected after yearend, but are not
available soon enough to pay for the current period's expenditures, and therefore
are deferred in the funds. 389,751

Internal service funds are used by management to charge the costs of certain
activities, such as insurance, information technology, and fleet operations to
individual funds. The assets and liabilities of the internal service funds are included
in governmental activities in the Statement of Net Assets. 79,769

Bond issue costs are reported as current expenditures in the funds. However, issue
costs are deferred and amortized over the life of the bonds and are included in the
governmental activities in the Statement of Net Assets. 1,950

Long-term liabilities and related accrued interest are not due and payable in the
current period and therefore are not reported in the funds: (See Note 10)

General Obligation and Revenue Bonds Payable	(1,322,266)	
Unamortized Premiums	(50,966)	
Amount Deferred on Refunding	13,570	
Accrued Interest Payable	(966)	
Pollution Remediation Obligation	(7,842)	
Compensated Absences	(186,581)	
Capital Leases	<u>(18,769)</u>	<u>(1,573,820)</u>

Total Net Assets of Governmental Activities \$ 14,235,255

The Notes to the Financial Statements are an integral part of this statement.

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State of Utah**Statement Of Revenues, Expenditures, And Changes In Fund Balances
Governmental Funds**

For the Fiscal Year Ended June 30, 2008

(Expressed in Thousands)

	Special Revenue			
	General	Education	Uniform School	Transportation
REVENUES				
Taxes:				
Sales and Use Tax	\$ 1,710,564	\$ —	\$ —	\$ 145,255
Individual Income Tax	—	2,560,394	—	—
Corporate Tax	—	410,586	—	—
Motor and Special Fuels Tax	—	—	—	357,664
Other Taxes	283,852	—	29,683	11,978
Total Taxes	1,994,416	2,970,980	29,683	514,897
Other Revenues:				
Federal Contracts and Grants	1,892,116	—	379,583	283,992
Charges for Services/Royalties	299,819	—	2,890	67,825
Licenses, Permits, and Fees	20,633	—	5,029	73,163
Federal Mineral Lease	134,404	—	—	—
Federal Aeronautics	—	—	—	68,193
Intergovernmental	—	—	—	—
Investment Income	75,647	7,630	27,623	13,350
Miscellaneous and Other	158,883	—	21,351	49,290
Total Revenues	4,575,918	2,978,610	466,159	1,070,710
EXPENDITURES				
Current:				
General Government	286,274	—	—	—
Human Services and Youth Corrections	674,389	—	—	—
Corrections, Adult	247,376	—	—	—
Public Safety	191,483	—	—	—
Courts	128,148	—	—	—
Health and Environmental Quality	1,643,269	—	—	—
Higher Education – State Administration	64,587	—	—	—
Higher Education – Colleges and Universities	773,107	—	—	—
Employment and Family Services	432,032	—	—	—
Natural Resources	171,738	—	—	—
Community and Culture	127,225	—	—	—
Business, Labor, and Agriculture	87,601	—	—	—
Public Education	—	—	2,960,523	—
Transportation	—	—	—	1,098,231
Capital Outlay	—	—	—	—
Debt Service:				
Principal Retirement	—	—	—	—
Interest and Other Charges	—	—	—	—
Total Expenditures	4,827,229	0	2,960,523	1,098,231
Excess Revenues Over (Under) Expenditures	(251,311)	2,978,610	(2,494,364)	(27,521)
OTHER FINANCING SOURCES (USES)				
General Obligation Bonds Issued	—	—	—	68,995
Premium on Bonds Issued	—	—	—	1,088
Capital Leases Acquisition	2,131	—	—	—
Sale of Capital Assets	80	—	—	8,058
Transfers In	908,222	44,237	2,325,571	264,234
Transfers Out	(873,826)	(3,175,521)	(110,135)	(131,245)
Total Other Financing Sources (Uses)	36,607	(3,131,284)	2,215,436	211,130
Net Change in Fund Balances	(214,704)	(152,674)	(278,928)	183,609
Fund Balances – Beginning	1,079,572	566,672	651,724	327,017
Fund Balances – Ending	\$ 864,868	\$ 413,998	\$ 372,796	\$ 510,626

The Notes to the Financial Statements are an integral part of this statement.

Special Revenue	Permanent	Nonmajor Governmental Funds	Total Governmental Funds
Transportation Investment	Trust Lands		
\$ 175,420	\$ —	\$ —	\$ 2,031,239
—	—	—	2,560,394
—	—	—	410,586
—	—	—	357,664
—	—	8,029	333,542
<u>175,420</u>	<u>0</u>	<u>8,029</u>	<u>5,693,425</u>
14,356	—	4,538	2,574,585
—	76,106	21,811	468,451
23,057	—	—	121,882
—	—	—	134,404
—	—	—	68,193
—	—	12,884	12,884
678	(77,874)	(338)	46,716
—	—	143,523	373,047
<u>213,511</u>	<u>(1,768)</u>	<u>190,447</u>	<u>9,493,587</u>
—	—	33,115	319,389
—	—	2,845	677,234
—	—	3,840	251,216
—	—	4,525	196,008
—	—	3,113	131,261
—	—	5,572	1,648,841
—	—	—	64,587
—	—	20,176	793,283
—	—	923	432,955
—	—	2,382	174,120
—	—	5,188	132,413
—	—	8,471	96,072
—	—	350	2,960,873
373,222	—	755	1,472,208
—	—	193,733	193,733
—	—	193,292	193,292
—	—	139,883	139,883
<u>373,222</u>	<u>0</u>	<u>618,163</u>	<u>9,877,368</u>
<u>(159,711)</u>	<u>(1,768)</u>	<u>(427,716)</u>	<u>(383,781)</u>
—	—	6,005	75,000
—	—	469	1,557
—	—	—	2,131
—	22,686	—	30,824
438,833	9,650	559,653	4,550,400
(209,058)	—	(12,926)	(4,512,711)
<u>229,775</u>	<u>32,336</u>	<u>553,201</u>	<u>147,201</u>
70,064	30,568	125,485	(236,580)
<u>129,808</u>	<u>983,881</u>	<u>283,106</u>	<u>4,021,780</u>
<u>\$ 199,872</u>	<u>\$ 1,014,449</u>	<u>\$ 408,591</u>	<u>\$ 3,785,200</u>

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances —
Governmental Funds To the Statement of Activities**

For the Fiscal Year Ended June 30, 2008

(Expressed in Thousands)

Net Change in Fund Balances – Total Governmental Funds	\$ (236,580)
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The change in net assets reported for governmental activities in the Statement of Net Assets is different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The primary government also constructs buildings for component units. When the buildings are completed they are “transferred” to component units and are reported as expenses in the Statement of Activities. This is the amount by which capital outlays \$921,837 exceeded depreciation \$(51,592) and buildings “transferred” to component units \$(55,081) in the current period. (See Note 8)	815,164
---	---------

In the Statement of Activities, only the gain/loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources. Thus, the change in net assets differs from the change in fund balance by the assets sold.	(68,496)
--	----------

Net effect of revenues reported on the accrual basis in the Statement of Activities that do not provide current financial resources and thus are not reported as revenues in the funds until available.	(146,497)
--	-----------

Internal service funds are used by management to charge the costs of certain activities, such as insurance, information technology, and fleet operations, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	2,969
---	-------

Bond proceeds and capital leases provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the Statement of Net Assets. Repayments of bond and capital lease principal are expenditures in the governmental funds, but reduce liabilities in the Statement of Net Assets: (See Note 10)

Bonds Issued	\$ (75,000)	
Premiums on Bonds Issued	(1,557)	
Capital Lease Additions	(2,131)	
Cash Defeasance on Bonds	69,241	
Payment of Bond Principal	193,292	
Capital Lease Payments	1,590	185,435

Expenditures are recognized in the governmental funds when paid or due for: items not normally paid with available financial resources; interest on long-term debt unless certain conditions are met; and bond issue costs. However, the Statement of Activities is presented on the accrual basis and expenses and liabilities are reported when incurred, regardless of when financial resources are available or expenditures are paid or due. This adjustment combines the net changes of the following balances:

Pollution Remediation Obligation Costs	(1,503)	
Compensated Absences Expenses	(951)	
Arbitrage Interest Expense	109	
Accrued Interest on Bonds Payable	484	
Amortization of Bond Premiums	17,119	
Amortization of Amount Deferred on Refunding	(4,103)	
Deferred Bond Issue Costs	(709)	10,446

Change in Net Assets of Governmental Activities	<u>\$ 562,441</u>
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The Notes to the Financial Statements are an integral part of this statement.

Proprietary Fund Financial Statements

Student Assistance Programs

These programs are comprised of two programs administered by the State Board of Regents: the Utah Higher Education Assistance Authority Student Loan Guarantee Program and the Student Loan Purchase Program. The purpose of these programs is to guarantee the repayment of student loans made by participating lenders to eligible student borrowers and to make loans to, and purchase the loans of, qualified students attending eligible institutions of higher education. Funds are acquired from the sale of bonds, lines-of-credit, variable rate demand notes, and financing agreements with the Student Loan Marketing Association.

Unemployment Compensation Fund

This fund pays claims for unemployment to eligible recipients and is funded through employer contributions and reimbursements, and federal grants.

Water Loan Programs

These programs provide loans to local governments, water districts, and other entities for the purpose of upgrading water storage facilities and other related structures. Capital for this fund has been provided from the General Fund or from general obligation bonds that have been repaid from general tax revenues. Additional funds have been generated by issuing revolving fund recapitalization revenue bonds that were secured by notes receivable and repaid from the collection of these notes.

Nonmajor Funds

Nonmajor enterprise funds are presented beginning on page 152.

Governmental Activities – Internal Service Funds

These funds are maintained to account for the operation of state agencies that provide goods or services to other state agencies and other governmental units on a cost-reimbursement basis. These funds are presented in more detail beginning on page 162.

State of Utah**Statement Of Net Assets
Proprietary Funds**

June 30, 2008

(Expressed in Thousands)

	Business-type Activities – Enterprise Funds			
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Nonmajor Enterprise Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 91,451	\$ 854,060	\$ 126,906	\$ 210,482
Investments	269,260	—	—	—
Receivables:				
Accounts, net	11,428	55,209	447	27,660
Accrued Interest	31,176	—	5,880	3,952
Notes/Loans/Mortgages, net	66,160	—	31,358	20,065
Due From Other Funds	—	—	353	15,282
Due From Component Units	—	—	—	17
Prepaid Items	3,812	—	—	27
Inventories	—	—	—	28,610
Deferred Charges	—	—	—	—
Total Current Assets	<u>473,287</u>	<u>909,269</u>	<u>164,944</u>	<u>306,095</u>
Noncurrent Assets:				
Restricted Investments	78,130	—	—	—
Investments	—	—	—	962
Prepaid Items	—	—	—	—
Accrued Interest Receivable	—	—	3,894	741
Notes/Loans/Mortgages Receivables, net	1,974,453	—	521,693	354,854
Deferred Charges	25,299	—	—	—
Capital Assets:				
Land	—	—	—	13,216
Infrastructure	—	—	—	304
Buildings and Improvements	12,560	—	—	42,327
Machinery and Equipment	1,932	—	—	13,644
Construction in Progress	—	—	—	1,299
Less Accumulated Depreciation	(2,893)	—	—	(21,368)
Total Capital Assets	<u>11,599</u>	<u>0</u>	<u>0</u>	<u>49,422</u>
Total Noncurrent Assets	<u>2,089,481</u>	<u>0</u>	<u>525,587</u>	<u>405,979</u>
Total Assets	<u>2,562,768</u>	<u>909,269</u>	<u>690,531</u>	<u>712,074</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	17,364	8,926	428	16,391
Deposits	—	66	—	97
Due To Other Funds	—	9,030	22	34,232
Due To Component Units	—	—	—	—
Interfund Loans Payable	—	—	—	—
Unearned Revenue	2,283	—	25	3,997
Policy Claims and Uninsured Liabilities	1,101	3,027	—	—
Contracts/Notes Payable	—	—	—	—
Revenue Bonds Payable	5,355	—	—	2,075
Arbitrage Liability	608	—	—	—
Total Current Liabilities	<u>26,711</u>	<u>21,049</u>	<u>475</u>	<u>56,792</u>
Noncurrent Liabilities:				
Accrued Liabilities	238	—	—	—
Unearned Revenue	7,029	—	—	—
Interfund Loans Payable	—	—	—	—
Policy Claims and Uninsured Liabilities	1,658	—	—	—
Contracts/Notes Payable	—	—	—	—
Revenue Bonds Payable	2,159,865	—	—	48,930
Arbitrage Liability	65,337	—	—	—
Total Noncurrent Liabilities	<u>2,234,127</u>	<u>0</u>	<u>0</u>	<u>48,930</u>
Total Liabilities	<u>2,260,838</u>	<u>21,049</u>	<u>475</u>	<u>105,722</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	2,074	—	—	11,763
Restricted for:				
Unemployment Compensation and Insurance Programs ...	—	888,220	—	—
Loan Programs	209,751	—	288,172	48,685
Unrestricted (Deficit)	90,105	—	401,884	545,904
Total Net Assets	<u>\$ 301,930</u>	<u>\$ 888,220</u>	<u>\$ 690,056</u>	<u>\$ 606,352</u>

The Notes to the Financial Statements are an integral part of this statement.

		Governmental Activities – Internal Service Funds
Total		
\$ 1,282,899	\$ 66,784	
269,260	—	
94,744	7,568	
41,008	—	
117,583	163	
15,635	38,109	
17	51	
3,839	805	
28,610	6,819	
—	11	
<u>1,853,595</u>	<u>120,310</u>	
78,130	—	
962	—	
—	250	
4,635	—	
2,851,000	531	
25,299	500	
13,216	17	
304	321	
54,887	6,455	
15,576	191,693	
1,299	187	
(24,261)	(123,796)	
<u>61,021</u>	<u>74,877</u>	
<u>3,021,047</u>	<u>76,158</u>	
<u>4,874,642</u>	<u>196,468</u>	
43,109	28,144	
163	—	
43,284	6,517	
—	10	
—	16,647	
6,305	161	
4,128	16,003	
—	47	
7,430	48	
608	—	
<u>105,027</u>	<u>67,577</u>	
238	—	
7,029	165	
—	22,358	
1,658	25,282	
—	512	
2,208,795	805	
65,337	—	
<u>2,283,057</u>	<u>49,122</u>	
<u>2,388,084</u>	<u>116,699</u>	
13,837	74,080	
888,220	8,002	
546,608	2,670	
1,037,893	(4,983)	
<u>\$ 2,486,558</u>	<u>\$ 79,769</u>	

State of Utah**Statement Of Revenues, Expenses, And Changes In Fund Net Assets
Proprietary Funds**

For the Fiscal Year Ended June 30, 2008

(Expressed in Thousands)

	Business-type Activities – Enterprise Funds			
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Nonmajor Enterprise Funds
OPERATING REVENUES				
Sales and Charges for Services/Premiums	\$ 34,299	\$ 157,624	\$ 422	\$ 259,820
Fees and Assessments	3,318	—	294	3,814
Interest on Notes/Mortgages	78,094	—	11,419	6,486
Federal Reinsurance and Allowances/Reimbursements	36,139	1,047	—	—
Investment Income	—	—	—	—
Miscellaneous	1,535	—	—	345
Total Operating Revenues	<u>153,385</u>	<u>158,671</u>	<u>12,135</u>	<u>270,465</u>
OPERATING EXPENSES				
Administration	4,411	—	—	31,829
Purchases, Materials, and Services for Resale	—	—	—	143,212
Grants	—	—	5,760	1,242
Rentals and Leases	—	—	—	1,992
Maintenance	—	—	—	2,654
Interest	91,820	—	—	—
Depreciation	595	—	—	1,737
Student Loan Servicing and Related Expenses	23,841	—	—	—
Payment to Lenders for Guaranteed Claims	38,122	—	—	—
Benefit Claims and Unemployment Compensation	—	148,424	—	—
Supplies and Other Miscellaneous	5,259	—	4,717	11,392
Total Operating Expenses	<u>164,048</u>	<u>148,424</u>	<u>10,477</u>	<u>194,058</u>
Operating Income (Loss)	<u>(10,663)</u>	<u>10,247</u>	<u>1,658</u>	<u>76,407</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Income	25,243	40,493	5,468	7,613
Federal Grants	—	—	19,391	8,459
Gain (Loss) on Sale of Capital Assets	—	—	—	—
Tax Revenues	—	—	22,937	525
Interest Expense	—	—	—	(2,304)
Refunds Paid to Federal Government	—	—	—	—
Other Revenues (Expenses)	(363)	—	—	—
Total Nonoperating Revenues (Expenses)	<u>24,880</u>	<u>40,493</u>	<u>47,796</u>	<u>14,293</u>
Income (Loss) before Transfers	<u>14,217</u>	<u>50,740</u>	<u>49,454</u>	<u>90,700</u>
Capital Contributions	—	—	—	—
Transfers In	—	—	1,582	37,498
Transfers Out	—	(588)	(3,670)	(72,555)
Change in Net Assets	<u>14,217</u>	<u>50,152</u>	<u>47,366</u>	<u>55,643</u>
Net Assets – Beginning	<u>287,713</u>	<u>838,068</u>	<u>642,690</u>	<u>550,709</u>
Net Assets – Ending	<u>\$ 301,930</u>	<u>\$ 888,220</u>	<u>\$ 690,056</u>	<u>\$ 606,352</u>

The Notes to the Financial Statements are an integral part of this statement.

		Governmental Activities – Internal Service Funds
Total		
\$ 452,165	\$ 302,263	
7,426	—	
95,999	—	
37,186	—	
—	33	
1,880	31	
<u>594,656</u>	<u>302,327</u>	
36,240	108,694	
143,212	83,494	
7,002	—	
1,992	2,413	
2,654	24,295	
91,820	—	
2,332	17,412	
23,841	—	
38,122	—	
148,424	8,123	
21,368	56,360	
<u>517,007</u>	<u>300,791</u>	
<u>77,649</u>	<u>1,536</u>	
78,817	2,704	
27,850	—	
—	190	
23,462	—	
(2,304)	(65)	
—	(381)	
(363)	(179)	
<u>127,462</u>	<u>2,269</u>	
205,111	3,805	
—	(880)	
39,080	444	
(76,813)	(400)	
167,378	2,969	
2,319,180	76,800	
<u>\$ 2,486,558</u>	<u>\$ 79,769</u>	

State of Utah**Statement Of Cash Flows
Proprietary Funds**

For the Fiscal Year Ended June 30, 2008

(Expressed in Thousands)

	Business-type Activities – Enterprise Funds			
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers/Loan Interest/Fees/Premiums ...	\$ 71,518	\$ 181,896	\$ 13,052	\$ 280,188
Receipts from Loan Maturities	229,501	—	31,817	22,177
Receipts Federal Reinsurance & Allowances/Reimburse ..	78,057	1,080	—	—
Receipts from State Customers	11,457	—	—	11,948
Student Loan Disbursements Received from Lenders	378,199	—	—	—
Student Loan Disbursements Sent to Schools/Lenders	(380,968)	—	—	—
Payments to Suppliers/Claims/Grants	(32,357)	(146,823)	(5,711)	(156,879)
Disbursements for Loans Receivable	(487,602)	—	(65,578)	(76,641)
Payments on Loan Guarantees	(37,556)	—	—	—
Payments for Employee Services and Benefits	(10,430)	—	—	(29,081)
Payments to State Suppliers and Grants	—	—	(4,902)	5,767
Payments of Sales, School Lunch, and Premium Taxes	—	—	—	(41,312)
Net Cash Provided (Used) by Operating Activities	(180,181)	36,153	(31,322)	16,167
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Borrowings Under Interfund Loans	—	—	—	16,651
Repayments Under Interfund Loans	—	—	—	(7,603)
Receipts from Bonds, Notes, and Deposits	99,670	173	—	—
Payments of Bonds, Notes, Deposits, and Refunds	(72,145)	(297)	—	—
Interest Paid on Bonds, Notes, and Financing Costs	(104,264)	—	—	—
Federal Grants and Other Revenues	—	—	19,391	7,286
Restricted Sales Tax	—	—	22,937	525
Transfers In from Other Funds	—	—	1,582	35,589
Transfers Out to Other Funds	—	(588)	(3,670)	(70,928)
Net Cash Provided (Used) by Noncapital Financing Activities	(76,739)	(712)	40,240	(18,480)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Borrowings Under Interfund Loans	—	—	—	—
Proceeds from Bond and Note Debt Issuance	—	—	—	14,535
Proceeds from Disposition of Capital Assets	—	—	—	—
Principal Paid on Debt and Contract Maturities	—	—	—	(1,806)
Acquisition and Construction of Capital Assets	(547)	—	—	(14,338)
Interest Paid on Bonds, Notes, and Capital Leases	—	—	—	(2,331)
Transfers In from Other Funds	—	—	—	1,908
Transfers Out to Other Funds	—	—	—	(1,628)
Net Cash Provided (Used) by Capital and Related Financing Activities	(547)	0	0	(3,660)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the Sale and Maturity of Investments	743,796	—	—	(182)
Receipts of Interest and Dividends from Investments	25,246	40,493	5,468	7,614
Payments to Purchase Investments	(510,690)	—	—	—
Net Cash Provided (Used) by Investing Activities	258,352	40,493	5,468	7,432
Net Cash Provided (Used) – All Activities	885	75,934	14,386	1,459
Cash and Cash Equivalents – Beginning	90,566	778,126	112,520	209,023
Cash and Cash Equivalents – Ending	<u>\$ 91,451</u>	<u>\$ 854,060</u>	<u>\$ 126,906</u>	<u>\$ 210,482</u>

The Notes to the Financial Statements are an integral part of this statement.

		Governmental	
		Activities –	
		Internal	
		Service	
		Funds	
Total			
\$ 546,654		\$ 48,873	
283,495		156	
79,137		—	
23,405		247,542	
378,199		—	
(380,968)		—	
(341,770)		(124,065)	
(629,821)		—	
(37,556)		—	
(39,511)		(109,252)	
865		(46,500)	
(41,312)		—	
(159,183)		16,754	
16,651		—	
(7,603)		(1,463)	
99,843		—	
(72,442)		(597)	
(104,264)		(25)	
26,677		30	
23,462		—	
37,171		—	
(75,186)		(367)	
(55,691)		(2,422)	
—		6,563	
14,535		—	
—		3,500	
(1,806)		(51)	
(14,885)		(23,355)	
(2,331)		(40)	
1,908		444	
(1,628)		(33)	
(4,207)		(12,972)	
743,614		—	
78,821		2,704	
(510,690)		—	
311,745		2,704	
92,664		4,064	
1,190,235		62,720	
<u>\$ 1,282,899</u>		<u>\$ 66,784</u>	

Continues

State of Utah**Statement Of Cash Flows
Proprietary Funds****Continued**

For the Fiscal Year Ended June 30, 2008

(Expressed in Thousands)

	Business-type Activities – Enterprise Funds			
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (10,663)	\$ 10,247	\$ 1,658	\$ 76,407
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	595	—	—	1,737
Interest Expense for Noncapital and Capital Financing	97,518	—	—	—
Miscellaneous Gains, Losses, and Other Items	5,059	—	—	674
Net Changes in Assets and Liabilities:				
Accounts Receivable/Due From Other Funds	8,308	15,363	369	(16,837)
Notes/Accrued Interest Receivables	(273,650)	—	(33,382)	(54,723)
Inventories	—	—	—	(4,148)
Prepaid Items/Deferred Charges	(68)	—	—	6
Accrued Liabilities/Due to Other Funds	(7,280)	9,663	33	12,873
Unearned Revenue/Deposits	—	—	—	178
Notes Payable	—	—	—	—
Policy Claims Liabilities	—	880	—	—
Net Cash Provided (Used) by Operating Activities	<u>\$ (180,181)</u>	<u>\$ 36,153</u>	<u>\$ (31,322)</u>	<u>\$ 16,167</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Increase (Decrease) in Fair Value of Investments	\$ —	\$ —	\$ —	\$ (83)
Contributed Capital Assets Transferred In (Out)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Noncash Investing, Capital, and Financing Activities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (83)</u>

The Notes to the Financial Statements are an integral part of this statement.

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Fiduciary Fund Financial Statements

Pension and Other Employee Benefit Trust Funds

These funds are used to account for defined benefit pension plans and defined contribution plans administered by the Utah Retirement Systems and to account for the State Post-Retirement Benefits Trust Fund, a defined benefit Other Postemployment Benefit Plan (OPEB Plan) administered by the State.

Investment Trust Fund

This fund is used to account for the investments related to external participants in the Utah State Public Treasurer's Investment Fund.

Private Purpose Trust Funds

These funds are used to report resources of all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Agency Funds

Agency funds account for assets held by the State as an agent for other governmental units, other organizations, or individuals.

Individual funds are presented by fund type beginning on page 172.

State of Utah**Statement Of Fiduciary Net Assets
Fiduciary Funds**

June 30, 2008

(Expressed in Thousands)

	Pension and Other Employee Benefit Trust Funds	Investment Trust Fund	Private Purpose Trust Funds	Agency Funds
ASSETS				
Cash and Cash Equivalents	\$ 1,501,233	\$ 96,588	\$ 29,316	\$ 181,676
Receivables:				
Accounts	3,151	—	7,616	3,287
Contributions	37,616	—	—	—
Investments	465,451	—	—	—
Accrued Interest	—	40,523	—	—
Accrued Assessments	—	—	11,944	—
Due From Other Funds	611	—	557	245
Investments:				
Debt Securities	6,449,566	6,346,738	910,914	24,130
Equity Investments	10,757,916	—	1,937,395	—
Absolute Return	2,192,308	—	—	—
Private Equity	1,149,645	—	—	—
Real Estate	3,771,930	—	—	—
Mortgage Loans	6,845	—	—	—
Invested Securities Lending Collateral	2,000,979	—	—	—
Investment Contracts	41,399	—	—	—
Total Investments	<u>26,370,588</u>	<u>6,346,738</u>	<u>2,848,309</u>	<u>24,130</u>
Capital Assets:				
Land	1,780	—	260	—
Buildings and Improvements	11,311	—	10,698	—
Machinery and Equipment	3,487	—	895	—
Less Accumulated Depreciation	(15,763)	—	(2,306)	—
Total Capital Assets	<u>815</u>	<u>0</u>	<u>9,547</u>	<u>0</u>
Total Assets	<u>28,379,465</u>	<u>6,483,849</u>	<u>2,907,289</u>	<u>\$ 209,338</u>
LIABILITIES				
Accounts Payable	969,339	—	2,613	\$ —
Securities Lending Liability	2,000,979	—	—	—
Due To Other Funds	—	—	417	—
Due To Individuals, Organizations, and Other Governments	—	—	—	209,338
Unearned Revenue	—	—	250	—
Leave/Postemployment Benefits	8,872	—	—	—
Policy Claims Liabilities/Insurance Reserves	6,667	—	263,123	—
Real Estate Liabilities	1,484,999	—	—	—
Total Liabilities	<u>4,470,856</u>	<u>0</u>	<u>266,403</u>	<u>\$ 209,338</u>
NET ASSETS				
Held in trust for:				
Pension Benefits	20,950,656	—	—	—
Other Postemployment Benefits	51,881	—	—	—
Defined Contribution	2,906,072	—	—	—
Pool Participants	—	6,483,849	—	—
Individuals, Organizations, and Other Governments	—	—	2,640,886	—
Total Net Assets	<u>\$ 23,908,609</u>	<u>\$ 6,483,849</u>	<u>\$ 2,640,886</u>	
Participant Account Balance Net Asset Valuation Factor		<u>0.996952</u>		

The Notes to the Financial Statements are an integral part of this statement.

State of Utah**Statement Of Changes In Fiduciary Net Assets
Fiduciary Funds**

For the Fiscal Year Ended June 30, 2008

(Expressed in Thousands)

	Pension and Other Employee Benefit Trust Funds	Investment Trust Fund	Private Purpose Trust Funds
ADDITIONS			
Contributions:			
Member	\$ 303,908	\$ —	\$ 588,091
Employer	635,012	—	—
Court Fees and Fire Insurance Premiums	15,647	—	—
Total Contributions	<u>954,567</u>	<u>0</u>	<u>588,091</u>
Pool Participant Deposits	<u>—</u>	<u>8,912,773</u>	<u>—</u>
Investment Income:			
Net Increase (Decrease) in Fair Value of Investments	893,088	(18,648)	(303,112)
Interest, Dividends, and Other Investment Income	628,520	299,746	85,542
Less Investment Expenses	(67,340)	(189)	—
Net Investment Income	<u>1,454,268</u>	<u>280,909</u>	<u>(217,570)</u>
Transfers From Affiliated Systems	<u>12,064</u>	<u>—</u>	<u>—</u>
Other Additions:			
Escheats	—	—	32,707
Royalties and Rents	—	—	4,880
Fees, Assessments, and Revenues	—	—	92,023
Miscellaneous	—	—	7,342
Total Other	<u>0</u>	<u>0</u>	<u>136,952</u>
Total Additions	<u>2,420,899</u>	<u>9,193,682</u>	<u>507,473</u>
DEDUCTIONS			
Pension Benefits	804,097	—	—
Retiree Healthcare Benefits	27,311	—	—
Refunds/Plan Distributions	173,313	—	—
Earnings Distribution	—	294,660	—
Pool Participant Withdrawals	—	7,878,195	—
Transfers To Affiliated Systems	12,064	—	—
Trust Operating Expenses	—	—	34,147
Distributions and Benefit Payments	—	—	97,248
Administrative and General Expenses	16,692	—	13,995
Total Deductions	<u>1,033,477</u>	<u>8,172,855</u>	<u>145,390</u>
Change in Net Assets Held in Trust for:			
Pension Benefits	1,121,027	—	—
Other Postemployment Benefits	23,839	—	—
Defined Contributions	242,556	—	—
Pool Participants	—	1,020,827	—
Individuals, Organizations, and Other Governments	—	—	362,083
Net Assets – Beginning	<u>22,521,187</u>	<u>5,463,022</u>	<u>2,278,803</u>
Net Assets – Ending	<u>\$ 23,908,609</u>	<u>\$ 6,483,849</u>	<u>\$ 2,640,886</u>

The Notes to the Financial Statements are an integral part of this statement.

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Component Unit Financial Statements

Utah Housing Corporation

The Corporation was created to provide an alternative source of funding for home mortgages, particularly for lower income families. It is funded entirely through the issuance of bonds that are repaid from the interest and principal payments made on mortgages.

Public Employees Health Program

This program provides employee medical and other insurance services predominantly for agencies of the State. It also provides claims processing and insurance services for local governments and other public entities within Utah.

University of Utah and Utah State University

These universities are funded through state appropriations, tuition, federal grants, and private donations and grants. In addition to instruction, these universities provide research and other services. The operations of the University of Utah also include its hospital and clinics.

Nonmajor Component Units

Nonmajor component units are presented beginning on page 184.

State of Utah**Combining Statement Of Net Assets
Component Units**

June 30, 2008

(Expressed in Thousands)

	Utah Housing Corporation	Public Employees Health Program	University of Utah	Utah State University
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 45,313	\$ 22,162	\$ 516,750	\$ 14,533
Investments	160,735	44,282	419,479	25,941
Receivables:				
Accounts, net	—	32,778	272,152	63,442
Notes/Loans/Mortgages/Pledges, net	22,430	—	10,268	1,352
Accrued Interest	6,455	1,301	6,356	—
Due From Primary Government	—	—	—	—
Prepaid Items	3,216	15,972	—	1,198
Inventories	—	—	35,153	4,361
Deferred Charges	—	—	18,891	—
Total Current Assets	<u>238,149</u>	<u>116,495</u>	<u>1,279,049</u>	<u>110,827</u>
Noncurrent Assets:				
Restricted Investments	513,601	—	403,614	70,109
Accounts Receivables, net	—	—	—	39,701
Investments	—	144,608	270,619	159,382
Notes/Loans/Mortgages/Pledges Receivables, net	1,256,435	—	82,689	12,339
Deferred Charges	12,338	—	73,266	—
Other Assets	7,278	—	—	—
Capital Assets (net of Accumulated Depreciation)	6,632	592	1,348,040	473,252
Total Noncurrent Assets	<u>1,796,284</u>	<u>145,200</u>	<u>2,178,228</u>	<u>754,783</u>
Total Assets	<u>2,034,433</u>	<u>261,695</u>	<u>3,457,277</u>	<u>865,610</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	51,965	18,022	138,087	40,622
Securities Lending Liability	—	12,557	—	—
Deposits	—	—	123,175	437
Due To Primary Government	—	—	23,582	1,516
Unearned Revenue	—	4,958	31,947	15,258
Current Portion of Long-term Liabilities (Note 10)	123,806	70,384	30,463	12,762
Total Current Liabilities	<u>175,771</u>	<u>105,921</u>	<u>347,254</u>	<u>70,595</u>
Noncurrent Liabilities:				
Accrued Liabilities	841	—	—	—
Unearned Revenue	—	—	—	540
Deposits	—	—	12,617	—
Due To Primary Government	—	—	—	—
Long-term Liabilities (Note 10)	1,627,612	51,432	410,365	120,976
Total Noncurrent Liabilities	<u>1,628,453</u>	<u>51,432</u>	<u>422,982</u>	<u>121,516</u>
Total Liabilities	<u>1,804,224</u>	<u>157,353</u>	<u>770,236</u>	<u>192,111</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	3,459	592	993,443	365,976
Restricted for:				
Nonexpendable:				
Higher Education	—	—	351,619	75,646
Expendable:				
Higher Education	—	—	528,493	190,859
Debt Service	170,652	—	—	—
Insurance Plans	—	103,750	—	—
Other	—	—	—	—
Unrestricted	56,098	—	813,486	41,018
Total Net Assets	<u>\$ 230,209</u>	<u>\$ 104,342</u>	<u>\$ 2,687,041</u>	<u>\$ 673,499</u>

The Notes to the Financial Statements are an integral part of this statement.

Nonmajor Component Units	Total
\$ 255,204	\$ 853,962
42,595	693,032
33,185	401,557
5,831	39,881
458	14,570
47	47
6,633	27,019
14,528	54,042
322	19,213
<u>358,803</u>	<u>2,103,323</u>
67,743	1,055,067
—	39,701
128,655	703,264
23,117	1,374,580
—	85,604
6,725	14,003
<u>932,432</u>	<u>2,760,948</u>
<u>1,158,672</u>	<u>6,033,167</u>
<u>1,517,475</u>	<u>8,136,490</u>
30,403	279,099
—	12,557
1,516	125,128
9,467	34,565
20,451	72,614
21,836	259,251
<u>83,673</u>	<u>783,214</u>
—	841
—	540
897	13,514
1,305	1,305
<u>112,757</u>	<u>2,323,142</u>
<u>114,959</u>	<u>2,339,342</u>
<u>198,632</u>	<u>3,122,556</u>
826,460	2,189,930
103,190	530,455
152,164	871,516
—	170,652
—	103,750
45	45
<u>236,984</u>	<u>1,147,586</u>
<u>\$ 1,318,843</u>	<u>\$ 5,013,934</u>

State of Utah**Combining Statement Of Activities
Component Units**

For the Fiscal Year Ended June 30, 2008

(Expressed in Thousands)

	Utah Housing Corporation	Public Employees Health Program	University of Utah	Utah State University
Expenses	<u>\$ 94,803</u>	<u>\$ 577,121</u>	<u>\$ 2,310,805</u>	<u>\$ 464,360</u>
Program Revenues:				
Charges for Services:				
Tuition and Fees	—	—	182,834	98,447
Scholarship Allowances	—	—	(21,919)	(31,375)
Sales, Services, and Other Revenues (net of University of Utah patient services allowance of \$49,365)	107,920	591,424	1,555,378	67,154
Operating Grants and Contributions	—	16,214	396,157	222,891
Capital Grants and Contributions	—	—	55,512	28,986
Total Program Revenues	<u>107,920</u>	<u>607,638</u>	<u>2,167,962</u>	<u>386,103</u>
Net (Expenses) Revenues	<u>13,117</u>	<u>30,517</u>	<u>(142,843)</u>	<u>(78,257)</u>
General Revenues:				
State Appropriations	—	—	294,907	160,246
Unrestricted Investment Income	—	—	—	—
Permanent Endowments Contributions	—	—	17,492	5,861
Total General Revenues	<u>0</u>	<u>0</u>	<u>312,399</u>	<u>166,107</u>
Change in Net Assets	<u>13,117</u>	<u>30,517</u>	<u>169,556</u>	<u>87,850</u>
Net Assets – Beginning	217,092	73,825	2,536,159	585,649
Adjustment to Beginning Net Assets	—	—	(18,674)	—
Net Assets – Beginning as Adjusted	<u>217,092</u>	<u>73,825</u>	<u>2,517,485</u>	<u>585,649</u>
Net Assets – Ending	<u>\$ 230,209</u>	<u>\$ 104,342</u>	<u>\$ 2,687,041</u>	<u>\$ 673,499</u>

The Notes to the Financial Statements are an integral part of this statement.

Nonmajor Component Units	Total
<u>\$ 878,436</u>	<u>\$ 4,325,525</u>
272,820	554,101
(45,418)	(98,712)
124,521	2,446,397
166,851	802,113
45,275	129,773
<u>564,049</u>	<u>3,833,672</u>
<u>(314,387)</u>	<u>(491,853)</u>
390,474	845,627
1,459	1,459
9,644	32,997
<u>401,577</u>	<u>880,083</u>
<u>87,190</u>	<u>388,230</u>
1,231,653	4,644,378
—	(18,674)
<u>1,231,653</u>	<u>4,625,704</u>
<u>\$ 1,318,843</u>	<u>\$ 5,013,934</u>